

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 6/2/2015	(3) CONTACT/PHONE John Diodati, Project Manager/Department Administrator (805) 788-2832	
(4) SUBJECT Request to approve a sole source agreement for professional services with NBS, in an amount not to exceed \$52,500, for Proposition 218 funding mechanisms and proceedings for the Paso Robles Groundwater Basin Water District formation, and execution of an Indemnity Agreement with the Local Agency Formation Commission. Districts 1 and 5.			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (Flood Control District): <ol style="list-style-type: none"> 1. Waive the Board adopted Contract for Services Policy and approve and execute a sole source agreement for consulting services with NBS, in an amount not to exceed \$52,500, for Proposition 218 services; and 2. Direct the Director of Public Works to execute a cost accounting and indemnity agreement with Local Agency Formation Commission. 			
(6) FUNDING SOURCE(S) Flood Control Fund 19	(7) CURRENT YEAR FINANCIAL IMPACT \$52,500.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001542		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? Yes	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 1 District 5			

Reference: 15JUN02-C-9

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

John Diodati, Project Manager/Department Administrator

VIA: Mark Hutchinson, Deputy Director of Public Works

DATE: 6/2/2015

SUBJECT: Request to approve a sole source agreement for professional services with NBS, in an amount not to exceed \$52,500, for Proposition 218 funding mechanisms and proceedings for the Paso Robles Groundwater Basin Water District formation, and execution of an Indemnity Agreement with the Local Agency Formation Commission. Districts 1 and 5.

RECOMMENDATION

It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (Flood Control District):

1. Waive the Board adopted Contract for Services Policy and approve and execute a sole source agreement for consulting services with NBS, in an amount not to exceed \$52,500, for Proposition 218 services; and
2. Direct the Director of Public Works to execute a cost accounting and indemnity agreement with Local Agency Formation Commission.

DISCUSSION

Background

On April 21, 2015 the Board approved the Resolution of Application for the formation of the Paso Robles Basin Water District (Water District) and directed staff to submit the necessary application material to Local Agency Formation Commission (LAFCO). The Board noted that if the Resolution of Application was approved, staff would return in the summer (targeting August) in order for the Board to review a more refined cost allocation of the proposed \$950,000 budget and ultimately choose a Proposition 218 funding mechanism.

NBS Consulting Service Agreement

More refined cost allocations are needed to fully inform a decision on the appropriate funding mechanism for the new District. NBS consultants have developed a scope of work to provide both special tax and property related fee cost allocations. NBS has also included the cost of performing the formal Proposition 218 proceedings. The total cost for all work is not to exceed \$52,500.

Sole Source Justification

A typical Request for Proposal for professional services takes at a minimum 45 days. There are approximately 60 days between now and August, leaving at best, 15 days for the selected firm to conduct the Proposition 218 cost allocation. By sole sourcing the contract with NBS, it ensures they have ample time to prepare a quality work product.

Indemnity Agreement

Staff is also requesting you direct the Director of Public Works to execute a cost accounting and indemnity agreement with LAFCO. Execution of this form is necessary before LAFCO can hold public hearings (see attached agreement.)

Next Steps

Staff continues to work with LAFCO on the application process, progressing towards a hearing(s) by LAFCO. The final determination of a funding mechanism and cost allocation will be a key component to LAFCO's deliberation, and is purposely scheduled to occur before LAFCO's first public hearing

OTHER AGENCY INVOLVEMENT/IMPACT

Other agencies and groups include:

County:

- County Clerk (Formation Vote and Board of Director Vote)
- County Assessor (Formation Vote and Board of Director Vote)
- County Counsel
- County Administrative Office

Non-County:

- LAFCO (formation proceeding),
- Paso Basin Advisory Committee

Others related to SGMA:

- City of Paso Robles
- City of Atascadero
- Atascadero Mutual Water Company
- Templeton Community Services District
- San Miguel Community Services District
- Camp Roberts
- County of Monterey
- Garden Farms Community Water District
- Other small water suppliers

FINANCIAL CONSIDERATIONS

\$350,000 from Flood Control District reserves has been allocated to fund the application process through this fiscal year.

RESULTS

Approval of the recommended action will allow the Paso Robles Basin Water District Formation Application to move forward to a vote of the affected property owners.

Attachments: Professional Services Agreement
LAFCO Indemnity Agreement

File: 340.280.01

Reference: 15JUN02-C-9

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ATTACHMENTS

1. Professional Services Agreement
2. LAFCO Indemnity Agreement